TO: Governor FROM: John Arledge DATE: June 14, 2004

SUBJECT: June/July Message Schedule

CC: Charlie Williams

With the "Tort Tour" over and the tort reform bill signing at hand, I think it would be wise to begin planning our next messages for the coming weeks in June and July.

I recommend two efforts – one external, one internal. First, another media tour of editorial boards and TV stations around the state with three messages: Medicaid, Education and Tort Reform. Second, an organized effort to schedule speeches for you in 10 key Senate districts to provide local praise to "sensitive" senators.

There is a severe, but expected problem with the Medicaid changes. We need to reassure in this area. In education, there is an isolated problem with many of the major newspapers and their understanding of the education budget that was passed last month. This needs to be

knocked down now to prevent future distortions on local taxes and our education budget. There also needs to be a reinforcement of the linkage of the new tort reform legislation to job creation. We should not let this impressive victory fall through the cracks of coverage on other issues.

We all know that much of our success this past session was due to our support in the Senate. To keep that balance in place, and to prevent any panic on Medicaid, we should begin visiting particular districts and providing coverage for senators who we think might get off the reservation next session. Public praise from the Governor and a listing of the right votes certain senators made during the Session would pay dividends. Neely and I have discussed this, and she has recommended the following as a first pass: Browning, Mettetal, Hyde-Smith, Cuevas, Thames, Lee and Harvey.

Medicaid:

The recent negative Medicaid coverage is something that will not be fixed. It will have to be endured until most recipients realize they will have adequate coverage. I do not think we should begin our media tour until we have our waivers. The waivers would be a positive rebuttal to some of the negative coverage and would give us an excuse to meet with the media. My hope is to make these waivers a major

announcement akin to a bill signing. In addition, shortly after we get the waivers we should consider getting the major drug companies to Mississippi for a seminar on free drug access lead by you.

The Medicaid Division could not have handled the PLADs change any worse. Internal education of the Medicaid staff began AFTER the letters went out. In addition, the letter seemed to be written to incite rather than to inform. Dr. Jones' informational tour to Medicaid-related groups is admirable, but it is behind the curve. My biggest concern is how the DOM communicates future changes to the 650,000 non-PLADs recipients. That, to me, is the greatest political danger and should be monitored closely by this office.

We should not lose sight of the fact that our only problem will be 65,000 PLADs recipients and their extended families. With an easily identifiable group like this, I think we should urge the DOM to consider paid phone calls and letters from you as ways to reassure these recipients. Such an action will not reverse the damage, but it could lessen the residual impact. Our goal at the beginning of the Medicaid controversy was to make Dr. Jones the public face of the issue. However, our political opponents have done a good job in making you the public face. With this in mind, I

think it would be important that any letters and/or calls come from you.